

WALLER LANSDEN DORTCH & DAVIS

A PROFESSIONAL LIMITED LIABILITY COMPANY

RECEIVED

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2004 MAR 30 PM 1:51

T.R.A. WALLER LANSDEN DORTCH & DAVIS

A PROFESSIONAL LIMITED LIABILITY COMPANY

809 SOUTH MAIN STREET

POST OFFICE BOX 1035

COLUMBIA, TENNESSEE 38402-1035

(931) 388-6031

WALLER LANSDEN DORTCH & DAVIS, LLP
AFFILIATED WITH THE PROFESSIONAL LIMITED LIABILITY COMPANY
520 SOUTH GRAND AVENUE, SUITE 800
LOS ANGELES, CALIFORNIA 90071
(213) 362-3680

D. Billye Sanders
(615) 850-8951
bsanders@wallerlaw.com

March 30, 2004

VIA HAND DELIVERY

Deborah Tate, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37219

04-00095

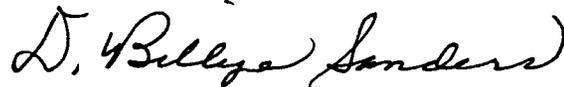
Re: In the Matter of the Application of Southern Digital Network, Inc. d/b/a FDN Communications for a Certificate of Convenience and Necessity to Provide Competing Local Telecommunications Services and to Provide Facilities-Based and Resold Interexchange Telecommunications Services in Tennessee

Dear Chairman Tate:

Enclosed you will find the original and thirteen (13) copies of the Application of Southern Digital Network, Inc. d/b/a FDN Communications for a Certificate of Convenience and Necessity to Provide Competing Local Telecommunications Services in the State of Tennessee and a check for \$25.00 for the filing fee. Exhibits F, G and H contain confidential information and are filed under seal. We respectfully request that these documents be treated as propriety and not disclosed to the public.

Please contact me if you need any additional information.

Sincerely,



D. Billye Sanders

DBS/hmd

WALLER LANSDEN DORTCH & DAVIS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Deborah Tate, Chairman

Page 2

Enclosures

cc: Michael C. Sloan, Esq.
Brett P. Ferenchak, Esq.
Matthew J. Feil, Esq.

**BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

_____)
In the matter of the Application of)
)
Southern Digital Network, Inc.)
 d/b/a FDN Communications)
)
For a Certificate of Convenience and Necessity to)
Provide Competing Local Telecommunications)
Services and to Provide Facilities-Based and)
Resold Interexchange Telecommunications)
Services in Tennessee)
_____)

Docket No. _____

**APPLICATION FOR A CERTIFICATE TO PROVIDE
COMPETING LOCAL TELECOMMUNICATIONS SERVICES
AND FACILITIES-BASED AND RESOLD
INTEREXCHANGE TELECOMMUNICATIONS SERVICES**

Pursuant to T.C.A. § 65-4-201, TRA Rule 1220-4-8 and Section 253 of the Federal Telecommunications Act of 1996 (“Act”), Southern Digital Network, Inc. d/b/a FDN Communications (“FDN” or “Applicant”) respectfully requests that the Tennessee Regulatory Authority (“TRA”) grant to FDN authority to provide competing local telecommunications services, including exchange access telecommunications services, and facilities-based and resold interexchange telecommunications services within the State of Tennessee. FDN is willing and able to comply with all applicable rules and regulations in Tennessee pertaining to the provision of competing local and interexchange telecommunications services.

In support of its Application, FDN submits the following.

1. The full name and address of the Applicant is:

Southern Digital Network, Inc. d/b/a FDN Communications
2301 Lucien Way, Suite 200
Maitland, FL 32751

Questions regarding this application should be direct to:

D. Billye Sanders, Esq.
Waller Lansden Dortch & Davis
A Professional Limited Liability Company
511 Union Street, Suite 2100
Nashville, TN 37219-8966
Tel: (615) 244-6380
Fax: (615) 244-6804
Email: Bsanders@wallerlaw.com

and

Michael C. Sloan, Esq.
Brett P. Ferenchak, Esq.
SWIDLER BERLIN SHEREFF FRIEDMAN, LLP
3000 K St., N.W., Suite 300
Washington, D.C. 20007-5116
Tel: (202) 424-7500
Fax: (202) 424-7645
Email: MCSloan@swidlaw.com
BPFerenchak@swidlaw.com

Contact name and address at the Company is:

Matthew J Feil, Esq.
Southern Digital Network, Inc. d/b/a FDN Communications
2301 Lucien Way, Suite 200
Maitland, FL 32751
Tel: (407) 835-0460
Fax: (407) 835-0309
Email: mfeil@floridadigital.net

2. Organizational Chart of Corporate Structure: Include any pertinent acquisition or merger information.

See **Exhibit A**. FDN and its parent company, Florida Digital Network, Inc. (“Florida Digital” and together with FDN, “FDN Communications”), are currently pursuing a *pro forma* intra-corporate reorganization, which will result in FDN and Florida Digital being wholly owned

subsidiaries of FDN Communications Holding Co. (“FDN Holding”), a newly formed Delaware holding company. Specifically, a new corporation formed specifically for the reorganization will be merged with and into Florida Digital with Florida Digital being the surviving entity and a wholly owned subsidiary of FDN Holding. Florida Digital will then transfer all stock of FDN to FDN Holding. Further, as part of the restructuring, each share of common stock of Florida Digital will be converted into shares of FDN Holding and, therefore, ultimate ownership of FDN will remain the same. FDN and Florida Digital anticipate that the pro forma intra-corporate reorganization will be completed near the end of April 2004.

3. Corporate information:

FDN was incorporated in Delaware on July 15, 1999. A copy of FDN’s Certificate of Incorporation is provide in **Exhibit B**. A copy of FDN’s Authority to Transact Business in the State of Tennessee is provided in **Exhibit C**. A copy of FDN’s Registration of Assumed name is provided in **Exhibit D**. FDN’s Federal Taxpayer ID Number is 06-1569473.

The principal corporate officers responsible for FDN’s Tennessee operations are:

| | |
|----------------------|---------------------------------------|
| Michael P. Gallagher | President and Chief Executive Officer |
| James Dabramo | Secretary |
| Richard Kolsby | Treasurer |

These officers can be reached at Applicant’s principal place of business provided above. There are no officers in Tennessee. The biographies of the key managers of FDN’s parent company, Florida Digital, who will also be involved in FDN’s Tennessee operations are provided in **Exhibit E**.

4. FDN possesses the managerial, technical, and financial ability to provide local telecommunications service in the State of Tennessee as demonstrated below:

A. Financial Qualifications

Well-funded, well-managed, and growing at a steady pace, FDN Communications provides local phone service, long distance phone service, and high-speed Internet to more than 50,000 businesses in Florida and Central Georgia. By using proven technologies in more efficient ways, FDN is able to provide excellent service to businesses small and large at substantial savings over the traditional phone companies. With a focus on customer service, and responsible spending, FDN has attracted strong financial partners, assuring FDN will continue to make the promises of local phone competition a reality for years to come. In April 2003, FDN Communications raised \$20.2 million from three private equity firms to fund expansion plans and solidify operations.

In further support of its financial qualifications, FDN submits the consolidated financial statements of its parent company, Florida Digital, in **Confidential Exhibit F**. FDN does not keep separate financial statements from Florida Digital.

Included in **Confidential Exhibit G** are three-year financial projections, including income statements, balance sheets and statement of cash flows. **Confidential Exhibit H** is a three-year capital expenditures budget indicating the type of equipment to be deployed, the cost of the equipment, and the sources for funding of projected capital expenditures.

FDN is in the process of securing a Letter of Credit or Corporate Surety Bond in the amount of \$20,000 to secure the payment of any monetary sanction imposed in any

enforcement proceeding brought on or behalf of the TRA. FDN will provide the Letter of Credit or Corporate Surety Bond prior to the hearing.

B Managerial Ability:

As shown in Exhibit E to this Application, FDN has the managerial expertise to successfully operate a telecommunications enterprise in Tennessee. As described in the attached biographical information, FDN Communications' management team has extensive management and business experience in telecommunications.

C. Technical Qualifications:

FDN's services will satisfy the minimum standards established by the TRA. The Applicant will file and maintain tariffs in the manner prescribed by the TRA and will meet minimum basic local standards, including quality of service and billing standards required of all competing local exchange carriers ("CLECs") regulated by the TRA. Applicant will not require customers to purchase customer premise equipment ("CPE"), which cannot be used with the Incumbent Local Exchange Carrier's systems. As noted in the biographies of the principal officers, certain officers have engineering backgrounds and all officers have several years of telecommunications expertise. Thus, FDN is certainly technically qualified to provide local exchange and interexchange telecommunications services in Tennessee

5. Proposed Service Area:

FDN is authorized to provide telecommunications services in Georgia and Kentucky. Additionally, FDN has pending, or is in the process of filing, applications for authority in Alabama, Louisiana, Mississippi, North Carolina, and South Carolina.

FDN proposes to offer local exchange services in all areas in Tennessee that are open to competition pursuant to state and federal law— initially primarily the areas currently being served by BellSouth, Sprint/United, and Citizens. FDN proposes to offer interexchange telecommunications services throughout the State of Tennessee.

6. Types of Local Exchange and Interexchange Services to be provided:

FDN intends to offer a diverse array of local exchange services, including basic exchange services, private branch exchange services, frame relay, high-speed data and Internet-type services, directory assistance, operator services, custom-calling features, toll-free calling services, blocking/unblocking services, and directory listings. Emergency 911 and enhanced 911 calling will be provided to all customers. FDN will provide all services required under Chapter 1220-4-8-.04(3)(b).

FDN also intends to offer a full range of interexchange telecommunications services, including MTS, WATS, toll-free and calling card services.

7. Repair and Maintenance:

FDN understands the importance of effective customer service for both local and long distance service customers. FDN has made arrangements for its customers to call the company at its toll-free customer service number 877-433-6435. Customer service representatives will monitor calls 24 hours per day, seven days a week. In addition, customers may contact the company in writing at its principal place of business. The toll-free number will be printed on the customer's monthly billing statements.

8. Small and Minority-Owned Telecommunications Business Participation Plan (T.C.A. §65-5-212):

Please see Exhibit I.

9 Toll Dialing Parity Plan:

Please see **Exhibit J**.

10. Notice of Application:

Applicant has served notice of this application to the eighteen (18) incumbent local exchange telephone companies in Tennessee with a statement regarding the Applicant's intention of operating geographically. Please see **Exhibit K** for the Notice of Application and Certificate of Service.

11. Numbering Issues:

Please see the statement provided in **Exhibit L**.

12. Tennessee Specific Operational Issues:

Please see statements provided in **Exhibit M**.

13. Miscellaneous:

A. Sworn Pre-Filed Testimony:

Please see the sworn pre-filed testimony of Michael P. Gallagher, President and Chief Executive Officer of FDN, provided as **Exhibit N**.

B. Customer Deposits:

Applicant will not initially require customer deposits, but may require deposits at a future time.

C. Complaints Filed with State and Federal Regulatory Agencies:

As of the date of this filing, FDN has not been subject to complaints filed at the FCC or in Georgia, the state in which FDN is currently doing business. FDN's parent company, Florida Digital Network, has been subject to occasional customer complaints informally administered by the Florida Public Service Commissions Division of

Consumer Affairs or other divisions, but has never been subject to any penalties as a result.

D. Informational Tariffs:

Applicant will provide informational Local Exchange and Interexchange Tariffs upon approval of this Application.

14. Public Interest Statement

Grant of the Application will further the goals of the Tennessee Legislature and further the public interest by expanding the availability of competitive telecommunications services in the State of Tennessee. In addition, intrastate offering of these services is in the public interest because the services will provide Tennessee customer increased efficiencies and cost savings. Authorizing FDN to provide local exchange and interexchange telecommunications services will enhance materially the telecommunications infrastructure in the State of Tennessee and will facilitate economic development.

In particular, the public will benefit both directly, through the use of the competitive services to be offered by FDN and indirectly, because FDN's presence in Tennessee will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service. Grant of this Application will further enhance the service options available to Tennessee citizens for the reasons set forth above.

CONCLUSION

FDN respectfully requests that the TRA enter an order granting it a certificate of convenience and necessity to operate as a competing telecommunications service provider and authority to provide a full range of local exchange and interexchange telecommunication services

on a facilities-based and resale basis throughout the State of Tennessee For the reasons stated above, FDN's provision of these services would promote the public interest by providing high-quality service at competitive prices and by creating greater economic incentives for the development and improvement for all competing providers and interexchange carriers.

Respectfully submitted this ___ day of March, 2004.

Southern Digital Network, Inc. d/b/a
FDN Communications

By: _____
D. Billye Sanders, Esq.
Waller Lansden Dortch & Davis
A Professional Limited Liability Company
511 Union Street, Suite 2100
Nashville, TN 37219-8966
Tel: (615) 244-6380
Fax: (615) 244-6804
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Washington, D.C. 20007-5116
Tel: (202) 424-7500
Fax: (202) 424-7645
Email: MCSloan@swidlaw.com
BPFerenchak@swidlaw.com

Counsel for Southern Digital Network ,Inc.
d/b/a FDN Communications

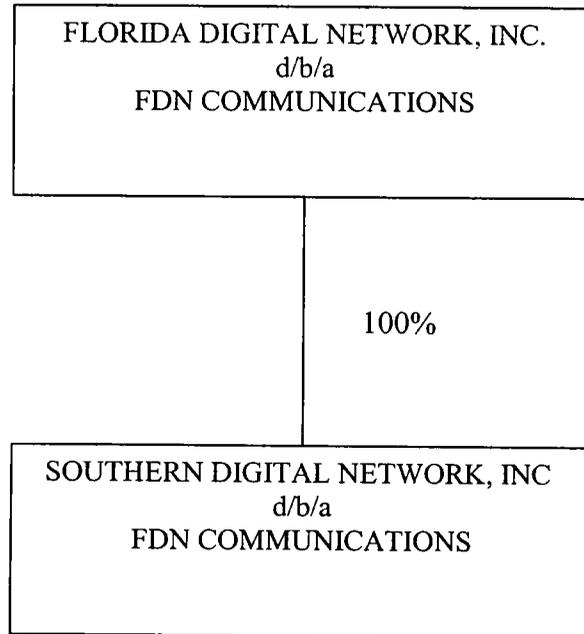
EXHIBIT LIST

| | |
|---------------------|---|
| Exhibit A | Organizational Chart |
| Exhibit B | Certificate of Incorporation |
| Exhibit C | Authority to Transact Business |
| Exhibit D | Registration of Assumed Name |
| Exhibit E | Management Biographies |
| Exhibit F | Financial Statements (Confidential) |
| Exhibit G | Projected Financial Statements (Confidential) |
| Exhibit H | Projected Capital Expenditures (Confidential) |
| Exhibit I | Small and Minority-Owned Telecommunications Business Participation Plan |
| Exhibit J | Toll Dialing Parity Plan |
| Exhibit K | Notice of Application and Certificate of Service |
| Exhibit L | Numbering Issues |
| Exhibit M | Tennessee Specific Operational Issues |
| Exhibit N | Sworn Pre-Filed Testimony |
| VERIFICATION | |

EXHIBIT A

Organizational Chart

Current Organizational Chart1



1 FDN and its parent company, Florida Digital Network, Inc ("Florida Digital"), are currently pursuing a pro forma intra-corporate reorganization, which will result in FDN and Florida Digital being wholly owned subsidiaries of FDN Communications Holding Co. ("FDN Holding"), a newly formed Delaware holding company. Specifically, a new corporation formed specifically for the reorganization will be merged with and into Florida Digital with Florida Digital being the surviving entity and a wholly owned subsidiary of FDN Holding. Florida Digital will then transfer all stock of FDN to FDN Holding. Further, as part of the restructuring, each share of common stock of Florida Digital will be converted into shares of FDN Holding and, therefore, ultimate ownership of FDN will remain the same. FDN and Florida Digital anticipate that the pro forma intra-corporate reorganization will be completed near the end of April 2004.

EXHIBIT B

Certificate of Incorporation

State of Delaware
Office of the Secretary of State PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "SOUTHERN DIGITAL NETWORK, INC.", FILED IN THIS OFFICE ON THE FOURTEENTH DAY OF JULY, A.D. 1999, AT 9 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



A handwritten signature in cursive script, appearing to read "Edward J. Freel".

Edward J. Freel, Secretary of State

3069995 8100
991289824

AUTHENTICATION: 9866081
DATE: 07-15-99

CERTIFICATE OF INCORPORATION
OF
SOUTHERN DIGITAL NETWORK, INC.

- FIRST.** The name of the corporation is Southern Digital Network, Inc. (the "Corporation").
- SECOND.** The address of its registered office in the State of Delaware is 1013 Centre Road, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is Corporation Service Company.
- THIRD.** The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the Delaware General Corporation law.
- FOURTH.** The total number of shares of stock with the Corporation shall have authority to issue is 3,000 shares of common stock, \$.01 par value per share.
- FIFTH.** The name and mailing address of the sole incorporator is as follows:
- | <u>NAME</u> | <u>MAILING ADDRESS</u> |
|---------------------|--|
| Sarah N.A. Camougis | Edwards & Angell, LLP 101 Federal Street Boston, Massachusetts 02110 |
- SIXTH.** In furtherance of and not in limitation of powers conferred by statute, it is further provided:
1. Election of directors need not be by written ballot.
 2. The Board of Directors is expressly authorized to adopt, amend or repeal the By-Laws of the Corporation.
- SEVENTH.** The Corporation is to have perpetual existence.
- EIGHTH.** The personal liability of the directors of the Corporation is hereby eliminated to the fullest extent permitted by the provisions of paragraph (7) of subsection (b) of §102 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented.

NINTH:

The Corporation shall, to the fullest extent permitted by the provisions of Section 145 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said section from and against any and all of the expenses, liabilities or other matters referred to in or covered by said section, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any By-Law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his/her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

TENTH:

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute and the Certificate of Incorporation, and all rights conferred upon stockholders herein are granted subject to this reservation.

EXECUTED at Boston, Massachusetts on July 14, 1999.

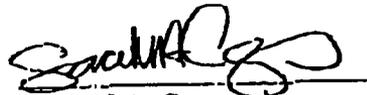

Sarah N.A. Camouglis,
Sole Incorporator

EXHIBIT C

Authority to Transact Business

Secretary of State
Division of Business Services
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

DATE: 01/09/04
REQUEST NUMBER: 4999-1372
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 01/08/04 1205
EFFECTIVE DATE/TIME: 01/08/04 1205
CONTROL NUMBER: 0385999

TO:
CFS
8161 HWY 100 172
NASHVILLE, TN 37221

RE:
SOUTHERN DIGITAL NETWORK, INC.
APPLICATION FOR REINSTATEMENT

IT HAS BEEN DETERMINED THAT THE ATTACHED APPLICATION FOR REINSTATEMENT CONTAINS THE INFORMATION REQUIRED BY STATUTE; THEREFORE THE ABOVE CORPORATION IS HEARBY REINSTATED, OR IF A FOREIGN CORPORATION, ITS CERTIFICATE OF AUTHORITY IS REINSTATED.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR REINSTATEMENT

ON DATE: 01/09/04

FROM:
CFS
8161 HIGHWAY 100
#172
NASHVILLE, TN 37221-0000

RECEIVED: FEES \$70.00 \$0.00
TOTAL PAYMENT RECEIVED: \$70.00

RECEIPT NUMBER: 00003402780
ACCOUNT NUMBER: 00101230



Riley C Darnell

RILEY C DARNELL
SECRETARY OF STATE

State of Tennessee



Department of State
Corporate Filings
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, TN 37243

APPLICATION FOR REINSTATEMENT
FOLLOWING ADMINISTRATIVE
DISSOLUTION/REVOCATION

For Office Use Only

FILED

Pursuant to the provisions of Section 48-24-203 or Section 48-25-303 of the Tennessee Business Corporation Act or Section 48-64-203 or Section 48-65-303 of the Tennessee Nonprofit Corporation Act, this application is submitted to the Office of the Secretary of State, State of Tennessee, for reinstatement.

1. The name of the corporation is Southern Digital Network d/b/a FDN
Communications
(Name change if applicable) _____

2. The effective date of its administrative dissolution/revocation is 12 21 01 (must be month, day, and year).

3. The ground(s) for the administrative dissolution/revocation

- did not exist.
- has/have been eliminated. **[NOTE: Please mark the applicable box.]**

4. The corporate name as listed in number one (1) satisfies the requirements of Tennessee Code Annotated Section 48-14-101 or 48-54-101, as appropriate.

5. The corporation control number as assigned by the Secretary of State, if known is 0385999

[NOTE (APPLIES TO FOR-PROFIT CORPORATIONS ONLY): Prior to this document being accepted for filing, the Division of Business Services will request tax clearance verification from the Tennessee Department of Revenue that the business has properly filed all reports and paid all required taxes and penalties. If we cannot obtain such tax clearance verification from the Department of Revenue, this document will be rejected and returned to the applicant.]

January 6, 2004
Signature Date

President
Signer's Capacity

Southern Digital Network
Name of Corporation

[Signature]
Signature

Michael Gallagher
Name (typed or printed)

EXHIBIT D

Registration of Assumed Name

Secretary of State
Division of Business Services
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

DATE: 01/09/04
REQUEST NUMBER: 4999-1374
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 01/08/04 1205
EFFECTIVE DATE/TIME:
CONTROL NUMBER: 0385999

TO:
CFS
8161 HWY 100 172
NASHVILLE, TN 37221

RE:
FDN COMMUNICATIONS
APPLICATION FOR REGISTRATION OF ASSUMED CORPORATE
NAME

THIS WILL ACKNOWLEDGE THE FILING OF THE ATTACHED ASSUMED NAME
REGISTRATION FOR A FIVE YEAR PERIOD BEGINNING WITH AN EFFECTIVE DATE AS
INDICATED ABOVE.

THE CORPORATION MAY RENEW THE RIGHT TO USE THIS NAME WITHIN TWO
(2) MONTHS PRECEDING THE EXPIRATION OF SUCH RIGHT, FOR A PERIOD OF FIVE (5)
YEARS, BY FILING AN APPLICATION WITH THE SECRETARY OF STATE.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR REGISTRATION OF ASSUMED CORPORATE ON DATE: 01/09/04
NAME

FROM:
CFS
8161 HIGHWAY 100
#172
NASHVILLE, TN 37221-0000

RECEIVED: FEES \$20.00 \$0.00
TOTAL PAYMENT RECEIVED: \$20.00

RECEIPT NUMBER: 00003402774
ACCOUNT NUMBER: 00101230



Riley C Darnell

RILEY C DARNELL
SECRETARY OF STATE

State of Tennessee



Department of State
Corporate Filings
312 Eighth Avenue North
6th Floor, William R Snodgrass Tower
Nashville, TN 37243

APPLICATION FOR
REGISTRATION OF
ASSUMED CORPORATE
NAME

For Office Use Only

FILED

Pursuant to the provisions of Section 48-14-101(d) of the Tennessee Business Corporation Act or Section 48-54-101(d) of the Tennessee Nonprofit Corporation Act, the undersigned corporation hereby submits this application.

1 The true name of the corporation is Southern Digital Network, Inc d/b/a FDN Communications

2 The state or country of incorporation is Delaware

3 The corporation intends to transact business in Tennessee under an assumed corporate name

4 The assumed corporate name the corporation proposes to use is
FDN Communications

[NOTE: The assumed corporate name must meet the requirements of Section 48-14-101 of the Tennessee Business Corporation Act or Section 48-54-101 of the Tennessee Nonprofit Corporation Act]

12/2/03
Signature Date

Southern Digital Network, Inc
Name of Corporation

CEO
Signer's Capacity

[Signature]
Signature

Michael P Gallagher
Name (typed or printed)

EXHIBIT E

Management Biographies

MANAGEMENT BIOGRAPHIES

Below are the management biographies of the key managers of Florida Digital Network, Inc. d/b/a FDN Communications ("Florida Digital Network ") who will also be involved in the operations of Southern Digital Network, Inc. d/b/a FDN Communications.

Michael Gallagher, CEO

Mr. Gallagher, a Florida native, is the President and Chief Executive Officer of Southern Digital Network, Inc. d/b/a FDN Communications. He has also served as Chief Executive Officer and director of Florida Digital Network since its inception in 1998. Prior to founding the company, he co-founded Metro Access Networks ("MAN"), an extremely successful Texas-based CLEC, in 1993. There, he served as President and was responsible for developing all business strategies, as well as designing the network architecture. Following MAN's merger with Brooks Fiber Communications, Inc. in March 1997, Mr. Gallagher became Regional Vice President for Brooks Fiber, now a subsidiary of WorldCom, where he had overall responsibility for all operations, engineering, finance and sales for the state of Texas. Prior to his service at MAN, Mr. Gallagher held various sales positions with both Williams Telecommunications Group ("WilTel") and Intermedia Communications.

Matthew Blocha, President and COO

Mr. Blocha was named President and Chief Operations Officer in January 2001. He had previously served as Vice President of Marketing and Information Systems for the company since its launch in 1998. Prior to Florida Digital Network, Mr. Blocha most recently served as Director of Product Development with both Brooks Fiber Communications, Inc. and Metro Access Networks ("MAN"). While at MAN, Mr. Blocha developed a successful ATM-based "Friendly Interface Service" ("FIS"), for delivering high-speed connections to corporate local area networks statewide. Prior to MAN, Mr. Blocha held various positions within Williams Telecommunications Group ("WilTel") and WorldCom, including major account manager and manager of strategic data planning.

Karl Renaut, CIO

Mr. Renaut joined Florida Digital Network as Chief Information Officer in June 1999. He came to FDN through the acquisition of Leading Network Solutions where he served as President since 1997. Prior to 1997, Mr. Renaut worked for AT&T, where he was responsible for the development and maintenance of the credit card statement processing system, and served as President and owner of Jacksonville's premier Internet company, Southeast Network Services.

Kenneth Meister, CFO

Mr. Meister joined Florida Digital Network as Chief Financial Officer in August 2002. He most recently served as Chief Financial Officer for Ionex Telecommunications, Inc., a Texas-based Integrated Communications Provider, since 2000. Prior to that, Mr. Meister served as a Senior Vice President in Investment Banking with Raymond James & Associates, Inc., a NYSE-traded full service brokerage firm based in St. Petersburg, Florida. While at Raymond James, he concentrated on capital formation for telecommunications companies. Prior to 1996, Mr. Meister worked as a Securities Attorney with a national law firm focusing on initial public offerings and mergers and acquisitions.

James DaBramo, Vice President of Sales

Mr. DaBramo is the Treasurer and Secretary of Southern Digital Network, Inc. d/b/a FDN Communications. He has also been Vice President of Sales for Florida Digital Network since the company's inception in 1998. He most recently served as Vice President of Sales with both Brooks Fiber Communications, Inc. and Metro Access Networks ("MAN"). At MAN, he not only served as a key

player in the company's start-up, but he built the annual revenue stream to a \$25M annualized run rate within 3 years. Prior to his MAN tenure, Mr. DaBramio held various sales positions with both BellAtlantic and Williams Telecommunications Group ("WilTel").

Ryan Hand, Vice President of Operations & Engineering

Mr. Hand has served as Vice President of Operations and Engineering since the company's commencement in 1998. Prior to Florida Digital Network, Mr. Hand served as Vice President of Operations for Brooks Fiber Communications, Inc., where he was responsible for all operations, engineering and service delivery for all special access and CLEC products. He personally oversaw the installation and turn-up of the Houston network and operations. Prior to Brooks, Mr Hand worked for Teleport Communications for two years and held various positions within Nortel over an eleven-year period.

Kevin Monroe, Vice President of Customer Care

Mr. Monroe was named Vice President of Customer Care in March 2001. He joined Florida Digital Network in May 2000 as Director of Service Delivery. From January 1996 until January 1998, Mr. Monroe served as Director of Customer Service for Millennium Group, a regional reseller based in Milwaukee, WI. In 1998, the company was purchased by McLeod USA and Mr. Monroe moved into position as Director of Customer Service for the company. Prior to 1996, he worked as the Illinois Regional Senior Manager of Small Business Services with Ameritech.

Timothy Tuck, Vice President of Revenue Operations

Mr. Tuck joined Florida Digital Network as Vice President of Revenue Operations in January 2002. He had previously held a number of key positions at Intermedia Communications, including Vice President of Customer Operations, Vice President of Information Services and Integrated Planning, Head of Y2K Compliancy and most recently, Vice President of Corporate Services where he was responsible for all corporate facilities and support organizations. Prior to 1994, Mr. Tuck served as President and Chief Executive Officer of Phone One headquartered in Orlando, Florida and Chief Financial Officer of Advantage Networks in Nashville, Tennessee.

Matthew Feil, General Counsel

Mr. Feil joined Florida Digital Network as General Counsel in August 2000. With 10 years experience specializing in administrative law and utility regulation, he brings a valuable perspective and visibility to Florida Digital Network. From 1993 until 2000, he served as Regulatory Counsel for Southern States Utilities. Prior to 1993, Mr Feil worked as a staff attorney and legal advisor for the Florida Public Service Commission (FPSC), the state agency that regulates the state's investor-owned utilities.

Kevin Smith, Director of Marketing

Mr. Smith was named Director of Marketing in August 2001 and oversees the product management, corporate communications and advertising efforts for the company. He had previously managed the company's sales force in South Florida since February 1999. Prior to joining Florida Digital Network, Mr. Smith held various sales positions with Teleport Communications Group and AT&T.

EXHIBIT F

Financial Statements

CONFIDENTIAL FILED UNDER SEAL

EXHIBIT G

Projected Financial Statements

CONFIDENTIAL FILED UNDER SEAL

EXHIBIT H

Projected Capital Expenditures

CONFIDENTIAL FILED UNDER SEAL

EXHIBIT I

Small and Minority-Owned
Telecommunications Business Participation Plan

SOUTHERN DIGITAL NETWORK, INC. D/B/A FDN COMMUNICATIONS

**SMALL AND MINORITY-OWNED TELECOMMUNICATIONS
BUSINESS PARTICIPATION PLAN**

Pursuant to T.C.A. §65-5-212, as amended, Southern Digital Network, Inc. d/b/a FDN Communications (“FDN”) submits this Small and Minority-owned Telecommunications Business Participation Plan (the “Plan”) along with its Application for a Certificate of Public Convenience and Necessity to provide competing intrastate and local exchange services in Tennessee.

I. PURPOSE

The purpose of §65-5-212 is to provide opportunities for small and minority-owned businesses to provide goods and services to telecommunications service providers. FDN is committed to the goals of §65-5-212 and to taking steps to support the participation of small and minority-owned telecommunications businesses in the telecommunications industry. FDN will endeavor to provide opportunities for small and minority-owned Telecommunications businesses to compete for contracts and subcontracts for goods and services. As part of its procurement process, FDN will make efforts to identify and inform minority-owned and small businesses that are qualified and capable of providing goods and services to FDN of such opportunities. FDN’s representatives will contact the Department of Economic and Community Development, the administrator of the small and minority-owned telecommunications assistance program, to obtain a list of qualified vendors. Moreover, FDN will seek to increase awareness of such opportunities so that companies not otherwise identified will have sufficient information to participate in the procurement process.

II. DEFINITIONS

As defined in §65-5-212.

Minority-Owned Business. Minority-owned business shall mean a business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000).

Small Business. Small Business shall mean a business with annual gross receipts of less than four million dollars (\$4,000,000).

III. ADMINISTRATION

FDN’s Plan will be overseen and administered by the individual named below, hereinafter referred to as the Administrator, who will be responsible for carrying out and promoting FDN’s full efforts to provide equal opportunities for small and minority-owned businesses. The Administrator of the Plan will be:

Greg Starr Interconnection Manager
Southern Digital Network, Inc. d/b/a FDN Communications
390 North Orange Avenue, Suite 2000
Orlando, FL 32801
Telephone: 407 835 0318
Facsimile: 407 447 3621

The Administrator's responsibilities will include:

- (1) Maintaining an updated Plan in full compliance with §65-5-212 and the rules and orders of the Tennessee Regulatory Authority.
- (2) Establishing and developing policies and procedures necessary for the successful implementation of the Plan.
- (3) Preparing and submitting such forms as may be required by the Tennessee Regulatory Authority, including the filing of required annual updates.
- (4) Serving as the primary liaison to and cooperate with the Tennessee Regulatory Authority, other agencies of the State of Tennessee, and small and minority-owned businesses to locate and use qualified small and minority-owned businesses as defined in §65-5-212.
- (5) Searching for and developing opportunities to use small and minority-owned businesses and encouraging such businesses to participate in and bid on contracts and subcontracts.
- (6) Providing records and reports and cooperate in any authorized surveys as required by the Tennessee Regulatory Authority.
- (7) Establishing a record-keeping system to track qualified small and minority-owned businesses and efforts to use such businesses.
- (8) Providing information and educational activities to persons within FDN and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

In performance of these duties, the Administrator will utilize a number of resources, including:

Chambers of Commerce
The Tennessee Department of Economic and Community Development
The United States Department of Commerce
Small Business Administration
Office of Minority Business
The National Minority Supplier Development Counsel
The National Association of Women Business Owners
The National Association of Minority Contractors
Historically Black Colleges, Universities, and Minority Institutions

The efforts to promote and ensure equal opportunities for small and minority-owned businesses are primarily spelled out in the Administrator's duties above. Additional efforts to provide opportunities to small and minority-owned businesses will include offering, where appropriate and feasible, small and minority-owned businesses assistance with technical, insurance, bonding, licensing, production, and deadline requirements.

IV. RECORDS AND COMPLIANCE REPORTS

FDN will maintain records of qualified small and minority-owned business and efforts to use the goods and services of such businesses. In addition, FDN will maintain records of educational and training activities conducted or attended and of the internal procurement procedures adopted to support this plan.

FDN will submit records and reports required by the Tennessee Regulatory Authority concerning the Plan. Moreover, FDN will cooperate fully with any surveys and studies required by the Tennessee Regulatory Authority. In conjunction with this Record Maintenance, FDN reserves the right to designate documents, reports, surveys and/or studies as "Confidential" or "Proprietary".

This plan is a statement of objectives and is not intended to create any legal obligation, except those required by Statute or Rule of the TRA, of Southern Digital Network, Inc. d/b/a FDN Communications or any of its employees.

Southern Digital Network, Inc. d/b/a FDN Communications

By:



Michael P. Gallagher
President and Chief Executive Officer

Dated. March23, 2004

EXHIBIT J

Toll Dialing Parity Plan

TOLL DIALING PARITY PLAN

INTRODUCTION

Southern Digital Network, Inc. d/b/a FDN Communications ("FDN") will initiate the process that will give end user customers the opportunity to designate a carrier for their intraLATA toll call traffic within all the exchanges in which FDN will provide local exchange telecommunications services in the State of Tennessee. IntraLATA toll calls will automatically be directed to the designated carrier without the customer having to dial an access code.

This Plan will be implemented upon the offering of telecommunications services by FDN after the TRA grants such authority.

POLICIES

FDN will deploy two-PIC (Primary Interexchange Carrier) technology in its switches. This technology will enable the customer to presubscribe to the same or a different carrier for their intraLATA and/or interLATA service.

Appropriate tariffs will be revised and filed in accordance with this plan.

FDN will offer customers the ability to access all participating carriers by dialing the appropriate access code (101XXXX).

All eligible FDN end user telephone line numbers will be presubscribed and should have a PIC associated with them.

FDN will treat all carriers on a non-discriminatory basis and will maintain a list of available toll carriers and keep it updated. Customers may call FDN's toll-free telephone number (877-433-6435) whereby customers may speak with a FDN customer contact representative and hear a list of available carriers.

FDN will comply with all anti-slamming provisions of the FCC and TRA.

CARRIER INFORMATION

Interexchange carriers will have the option of offering intraLATA service only or intraLATA and interLATA service.

Interexchange carriers will have the option of participating in all market areas or in a specific market area.

Interexchange carriers may be required to return a completed Non-Disclosure Agreement and Participation Agreement(s)

FDN will not participate in billing disputes for intraLATA service between alternative competing interexchange carriers and their customers.

FDN representatives will not initiate or accept three-way calls from alternative interexchange carriers to discuss presubscription.

Carriers wishing to participate will be requested to submit Access Service Requests/Translation Questionnaires to the Access Tandem owner and to FDN.

CALL ELIGIBILITY/TOLL DIALING PLAN

A local service customer of FDN will have calls routed according to the following plan:

| If a FDN Customer Dials: | The Call is Handled By/Routed To: |
|---|--|
| 911 | PSAP on originating line number |
| 411/555-1212 | FDN Directory Assistance Operator |
| 0- | FDN Operator |
| 0 + intraexchange number | IntraLATA Toll Provider |
| 1 + 7 or 10 digits | IntraLATA Toll Provider |
| 0 + 7 or 10 digits interexchange number | InterLATA Toll Provider |
| 101XXXX + 0- | XXXX Carrier |
| 101XXXX + 0 + 7 or 10 digits | XXXX Carrier |
| 101XXXX + 7 or 10 digits | XXXX Carrier |

If a FDN customer originates a call to a carrier Operator by dialing 0-, the call will be routed to the PIC on that customer's line. If the customer originates a call to a carrier Operator by dialing an access code (e.g., 101XXXX + 0-), the call will be routed to the XXXX carrier. In both cases, the carrier's switch is responsible for routing this call to the carrier's Operator or to an announcement.

NETWORK INFORMATION

All originating intraLATA traffic will initially be routed via the incumbent Local Exchange Carrier (LEC) Access Tandem(s). Following conversion, direct trunks between the FDN switch and the interexchange carrier location(s) may be provisioned where traffic volumes warrant.

Interexchange carriers will be subject to such network specifications as shall be imposed by FDN's underlying carrier(s). FDN disclaims responsibility for any such specifications. FDN will not participate in disputes regarding any such network specifications between alternative competing interexchange carriers and FDN's underlying carrier(s).

FDN will route all originating intraLATA traffic to the designated carrier and will only block traffic at the request of the end user customer and/or in compliance with regulatory requirements. Requests from carriers to block traffic or to remove customers from their network will not be honored. Calls that cannot be completed to a carrier will be routed to an announcement.

CUSTOMER CONTACT INFORMATION

FDN customer contact representatives will process customer initiated PIC selections to FDN or to an alternative intraLATA carrier. Carriers will have the option of allowing the FDN representative to process PIC requests on their behalf.

FDN will not ballot or allocate their customer base. At the time of conversion, all customers will be "PIC'd" to FDN unless another carrier is chosen by the particular customer.

FDN will accept as a bona fide PIC a selection of "NO PIC" as a choice. FDN will rely upon its underlying carrier(s) to ensure that "NO PIC" customers will have access code dialing capability to reach participating intraLATA carriers.

FDN customer contact representatives will not comment on a customer's choice of its intraLATA PIC when the customer contacts FDN to change the PIC. FDN customer contact representatives will respond to customer inquiries about intraLATA carriers in a competitively neutral fashion. If a customer requests information relating to carriers other than FDN, a list of participating carriers will be read to that customer in random order by FDN representatives.

If the intraLATA toll carrier selected by the customer permits FDN to process orders on its behalf, FDN will accept the PIC change request. If the customer selects an intraLATA toll carrier that does not allow FDN to process PIC changes on its behalf, FDN will provide the customer with the carrier's toll-free number (if provided by the carrier).

FDN representatives will not discuss alternative carrier rates or services and will not provide customers with Carrier Identification Codes or access code dialing instructions.

PRESUBSCRIPTION INFORMATION

A \$5.00 PIC change charge will be incurred and billed to a FDN customer for each eligible line where a PIC change is made. FDN will offer its customers a 90-day grace period following Plan implementation during which the customers may change intraLATA carriers without a PIC change charge. Customers can make multiple PIC changes during these 90 days at no charge. After the 90-day period, FDN will assess the \$5.00 PIC change charge. FDN offers interexchange carriers the option of having the PIC charge billed to the carrier or to the customer.

New line customers, including customers adding lines, will have the opportunity to select a participating carrier, or they will be assigned a NO PIC designation. If a customer cannot decide upon an intraLATA carrier at the time of order, FDN may extend a 30-day period following placement of the customer's service order for the customer to select an intraLATA carrier without charge. Such a customer will be assigned a NO PIC designation in the interim. After this 30-day period, FDN will assess the \$5.00 PIC change charge as described above. Customers assigned a NO PIC designation as set forth in this paragraph will be required to dial an access code to reach an intraLATA carrier's network.

If a FDN customer denies requesting a change in intraLATA toll providers as submitted by an intraLATA carrier, and the intraLATA carrier is unable to produce a Letter of Agency signed by

the customer, the intraLATA carrier will be assessed a \$30.00 charge for the unauthorized PIC change and the PIC will be changed as per the customer's request, in addition to any other penalties authorized by law.

Alternative interexchange carriers may submit PIC changes to FDN via a fax/paper interface

FDN will process intraLATA PIC selections in the same manner and under the same intervals of time as interLATA PIC changes.

While FDN plans to incorporate Customer Account Record Exchange (CARE) record processing in the future, FDN currently uses direct customer request instead of CARE record processing for changes to long distance providers to reduce the risk of slamming.

EXHIBIT K

Notice of Application and Certificate of Service

NOTICE OF APPLICATION

TO: Incumbent Local Exchange Carriers Operating in the State of Tennessee

FROM: D. Billye Sanders, Esq.
Waller Lansden Dortch & Davis
A Professional Limited Liability Company
511 Union Street, Suite 2100
Nashville, TN 37219-8966

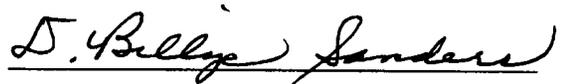
Michael C. Sloan & Brett P. Ferenchak
Swidler Berlin Shereff Friedman, LLP
3000 K. Street, N W , Suite 300
Washington, D.C. 20007

RE: Application of Southern Digital Network, Inc. d/b/a FDN Communications for a Certificate of Convenience and Necessity to Provide Competing Local Telecommunications Services and Facilities-Based and Resold Interexchange Telecommunications Services

By this Notice of Application, you are officially notified that Southern Digital Network, Inc. d/b/a FDN Communications filed the above-referenced Application with the Tennessee Regulatory Authority on March 30, 2004. A copy of the Application may be obtained from the Tennessee Regulatory Authority.

Certificate of Service

I HEREBY CERTIFY that on this 30th day of March, 2004, a copy of the foregoing Notice of the Application of Southern Digital Network, Inc. d/b/a FDN Communications for a Certificate of Convenience and Necessity to Provide Competing Local Telecommunications Services and Facilities-Based and Resold Interexchange Telecommunications Services, as filed with the Tennessee Regulatory Authority was served by first class U S. mail, postage prepaid on the incumbent local exchange carriers certificated in Tennessee and the Consumer Advocate and Protection Division of the Office of the Tennessee Attorney General as set forth on the attached list



D. Billye Sanders

INCUMBENT LOCAL EXCHANGE SERVICE PROVIDERS
CERTIFICATED IN TENNESSEE
(FACILITIES-BASED)

- 1) **ARDMORE TELEPHONE COMPANY, INC.**
P.O. Box 549
517 Ardmore Avenue
Ardmore, TN 38449
(205) 423-2131
(205) 423-2208 (Fax)

- 2) **BELLSOUTH**
333 Commerce Street
Nashville, TN 37201-3300
(615) 214-3800
(615) 214-8820 (Fax)

- 3) **CENTURY TELEPHONE OF ADAMSVILLE**
116 N. Oak Street
P.O. Box 405
Adamsville, TN 38310
(901) 632-3311
(901) 632-0232 (Fax)

- 4) **CENTURY TELEPHONE OF CLAIBORNE**
507 Main Street
P.O. Box 100
New Tazewell, TN 37825
(423) 626-4242
(423) 626-5224 (Fax)

- 5) **CENTURY TELEPHONE OF OOLTEWAH-COLLEGEDALE, INC.**
5616 Main Street
P.O. Box 782
Ooltewah, TN 37363
(423) 238-4102
(423) 238-5699 (Fax)

- 6) **CITIZENS COMMUNICATIONS COMPANY OF TENNESSEE**
P.O. Box 770
300 Bland Street
Bluefield, WV 24701

- 7) **FRONTIER COMMUNICATIONS OF AMERICA**
250 South Franklin Street
P.O. Box 689
Cookeville, Tennessee 38501

INCUMBENT LOCAL EXCHANGE SERVICE PROVIDERS
CERTIFICATED IN TENNESSEE
(FACILITIES-BASED)

- (931) 528-0518
(931) 528-0604 (Fax)
- 8) **LORETTO TELEPHONE COMPANY, INC.**
P.O. Box 130
Loretto, TN 38469
(931) 853-4351
(931) 853-4329 (Fax)
- 9) **MILLINGTON TELEPHONE COMPANY, INC.**
4880 Navy Road
Millington, TN 38053
(901) 872-3311
(901) 873-0022 (Fax)
- 10) **SPRINT-UNITED**
112 Sixth Street
Bristol, TN 37620
(423) 968-8161
(423) 968-3148 (fax)
- 11) **TDS TELECOM-CONCORD TELEPHONE EXCHANGE, INC.**
P.O. Box 22610
Knoxville, TN 37933
(423) 966-5828
(423) 966-9000 (Fax)
- 12) **TDS TELECOM-HUMPHREYS COUNTY TELEPHONE COMPANY**
P.O. Box 552
203 Long Street
New Johnsonville, TN 37134-0552
(931) 535-2200
(931) 535-3309 (Fax)
- 13) **TDS TELECOM-TELLICO TELEPHONE COMPANY, INC.**
P.O. Box 9
102 Spence Street
Tellico Plains, TN 37385-0009
(423) 671-4600
(423) 253-7080 (Fax)
- 14) **TDS TELECOM-TENNESSEE TELEPHONE COMPANY**
7407 Andersonville Pike

INCUMBENT LOCAL EXCHANGE SERVICE PROVIDERS
CERTIFICATED IN TENNESSEE
(FACILITIES-BASED)

P.O. Box 70387
Knoxville, TN 37928
(423) 922-3535
(423) 922-9515 (Fax)

TDS TELECOM-Knoxville Office

P.O. Box 22995
Knoxville, TN 37933-0995
(865) 966-4700

15) **TEC-CROCKETT TELEPHONE COMPANY, INC.**

P.O. Box 7
Friendship, TN 38034
(901) 677-8181

16) **TEC-PEOPLE'S TELEPHONE COMPANY, INC.**

P.O. Box 310
Erin, TN 37061
(931) 289-4221
(931) 289-4220 (Fax)

17) **TEC-WEST TENNESSEE TELEPHONE COMPANY, INC.**

P.O. Box 10
244 E. Main Street
Bradford, TN 38316
(901) 742-2211
(901) 742-2212 (Fax)

18) **UNITED TELEPHONE COMPANY**

P.O. Box 38
120 Taylor Street
Chapel Hill, TN 37034
(931) 364-2289
(931) 364-7202 (Fax)

19) **CONSUMER ADVOCATE AND PROTECTION DIVISION**

Russell Perkins, Esq.
Office of Consumer Advocate and Protection Division
Tennessee Attorney General & Reporter
425 Fifth Avenue North
Nashville, Tennessee 37202-0207

EXHIBIT L

Numbering Issues

Numbering Issues

Please provide answers to the following questions concerning numbering within your proposed service area.

- 1. What is your company's expected demand for NXXs per NPA within a year of approval of your application?**

FDN will not require its own NXX blocks in areas where service is provided either by UNE-P or by Resale of the ILEC services. In areas where FDN provides services on a facilities based platform, FDN will require no more than 1(one) Thousand number block per Rate Center in the first year.

- 2. How many NXXs do you estimate that you will request from NANPA when you establish your service footprint?**

FDN estimates the need for NANPA to provide 1(one) Thousand number block per rate center in which services are provided via a facilities based platform. FDN anticipates that this number will not exceed 5 in 2004 and not more than 8 in 2005.

- 3. When and in what NPA do you expect to establish your service footprint?**

FDN anticipates establishing a UNE-P/Resale presence in 615, 913, 731, and 901 NPAs during the second quarter of 2004. FDN anticipates establishing a facilities based footprint in 615 and 901 NPAs during the third quarter of 2004.

- 4. Will the company sequentially assign telephone numbers within NXXs?**

FDN will abide by all of the numbering rules established by the FCC, including sequential assignment of telephone numbers, as well as any rules established by the TRA.

- 5. What measures does the company intend to take to conserve Tennessee numbering resources?**

FDN will comply with all FCC regulations concerning number resource optimization in order to conserve numbering resources.

- 6. When ordering new NXXs for growth, what percentage fill of an existing NXX does the company use to determine when a request for a new NXX will be initiated?**

In requesting growth codes, FDN will comply with all applicable FCC regulations relating to utilization thresholds. While the threshold will rise in increments of 5%, current FCC regulations require that carriers achieve a 70% utilization prior to requesting growth codes.

EXHIBIT M

Tennessee Specific Operational Issues

Tennessee Specific Operational Issues

Please provide answers to the following questions concerning Tennessee Specific Operational Issues.

1. **How does the company intend to comply with TCA §65-21-114? In its description, please explain technically how the company will not bill for countywide calls within Tennessee.**

FDN utilizes APTIS billing software and maintains updated call rating databases.

Call records are loaded into batch rating files either directly from FDN switches (when calls are made via facilities based platforms) or from LEC provided Daily Usage Files (when calls are made via UNE-P or Resale based platforms). These Batch files are then processed through rating tables that contain detailed TO-FROM call-rating rules based on NPA NXX. Calls to which charges should not apply are then rated at \$0.00 per minute. These tables are updated daily and automatically when new NPA or NXX are added to the Local Exchange Routing Service ("LERG"). FDN further employs EQUINOX call rating software to monitor the accuracy of this call rating system and to monitor for anomalies.

2. **Is the company aware of the Tennessee County Wide Calling database maintained by BellSouth and the procedures to enter your telephone numbers on the database?**

Yes, FDN is aware of the Tennessee County Wide Calling database maintained by BellSouth and the procedures to enter FDN's telephone numbers on the database.

3. **Is your company aware of the local calling areas provided by the Incumbent Local Exchange Carriers in your proposed service areas?**

Yes, FDN is aware of the local calling areas provided by the Incumbent Local Exchange Carriers in its proposed service area.

4. **Explain the procedures that will be implemented to assure that your customers will not be billed long distance charges for calls within the metro calling areas.**

FDN utilizes APTIS billing software and maintains updated call rating databases.

Call records are loaded into batch rating files either directly from FDN switches (when calls are made via facilities based platforms) or from LEC provided Daily Usage Files (when calls are made via UNE-P or Resale based platforms). These Batch files are then processed through rating tables that contain detailed TO-FROM call-rating rules based on NPA NXX. Calls to which charges should not apply are then rated at \$0.00 per minute. These tables are updated daily and automatically when new NPA or NXX are added to the LERG. FDN further employs EQUINOX call rating software to monitor the accuracy of this call rating system and to monitor for anomalies.

5. **Please provide the name and telephone number of an employee of your company that will be responsible to work with the TRA on resolving customer complaints.**

The following person is responsible for working with the TRA for customer complaints:

Wanda Hofelich
Southern Digital Network, Inc. d/b/a FDN Communications
2301 Lucien Way, Suite 200
Maitland, FL 32751
Tel: 407-835-0300
Fax: 407-447-0123
Email: whofelich@mail.fdn.com

6. **Does the company intend to telemarket its services in Tennessee? If yes, is the company aware of the telemarketing statutes and regulations found in TCA §65-4-401 et seq. And Chapter 1220-4-11?**

At this time, FDN does not intend to employ telemarketers to market its service in Tennessee. FDN is aware of the telemarketing statutes and regulations found in Section 65-4-401 through Section 65-4-408 of the Tennessee Code Annotated and in Chapter 1220-4-11 of the TRA's Rules and Regulations and will comply with such rules if and when its plans change and it uses telemarketing in Tennessee.

EXHIBIT N

Sworn Pre-Filed Testimony

**BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

_____)
In the matter of the Application of)
)
Southern Digital Network, Inc.)
d/b/a FDN Communications)
) Docket No. _____
For a Certificate of Convenience and Necessity to)
Provide Competing Local Telecommunications)
Services and to Provide Facilities-Based and)
Resold Interexchange Telecommunications)
Services in Tennessee)
_____)

PRE-FILED TESTIMONY OF MICHAEL P. GALLAGHER

I, Michael P. Gallagher, do hereby testify as follows in support of the application of Southern Digital Network, Inc. d/b/a FDN Communications (“FDN”) for a Certificate of convenience and necessity as a competing telecommunications services provider to provide telecommunication services throughout the State of Tennessee.

Q: Please state your full name, business address, and position.

A: My name is Michael P. Gallagher. I am President and Chief Executive Officer of Southern Digital Network, Inc. d/b/a/ FDN Communications (“FDN”). My business address is 390 North Orange Avenue, Suite 2000, Orlando, Florida 32801. I am also the Chief Executive Officer of FDN’s parent, Florida Digital Network, Inc. d/b/a FDN Communications (“Florida Digital Network”) (together with FDN, “FDN Communications”)

Q: Please briefly describe your duties.

A: As Chief Executive Officer of Florida Digital Network, I am ultimately responsible to the shareholders for all aspects of FDN Communications' operations and performance, including those of FDN. On a management level, Florida Digital Network's President & Chief Operating Officer, Chief Financial Officer and General Counsel report directly to me; Florida Digital Network's Engineering & Operations, Customer Service, and Sales Vice Presidents report to the President & COO, who is also in charge of Florida Digital Network's Marketing and IS functions. I am involved in the day-to-day business dealings of the company and the decision-making on everything from marketing and sales strategies, product development, network architecture and deployment, financing, human resources, customer care, regulatory changes, etc.

Q: Please describe your business experience and educational background.

A: I have served as Chief Executive Officer and director of FDN's parent, Florida Digital Network, since its inception in 1998 and FDN since its inception in 1999. Prior to founding the company, I co-founded Metro Access Networks ("MAN"), an extremely successful Texas-based CLEC, in 1993. There, I served as President and was responsible for developing all business strategies, as well as designing the network architecture. Following MAN's merger with Brooks Fiber Communications, Inc. in March 1997, I became Regional Vice President for Brooks Fiber, now a subsidiary of WorldCom, where I had overall responsibility for all operations, engineering, finance and sales for the state of Texas. Prior to my service at MAN, I held various sales positions with both Williams Telecommunications Group (WilTel) and Intermedia Communications.

Q: Are all statements in FDN's Application true and correct to the best of your knowledge, information and belief?

A: Yes, they are.

Q: Please describe the current corporate structure of FDN.

A: FDN is a wholly owned subsidiary of Florida Digital Network, Inc d/b/a FDN Communications ("Florida Digital") (together with FDN, "FDN Communications"). Florida Digital is a privately held company.

FDN and Florida Digital are currently pursuing a pro forma intra-corporate reorganization, which will result in FDN and Florida Digital being wholly owned subsidiaries of FDN Communications Holding Co. ("FDN Holding"), a newly formed Delaware holding company. Specifically, a new corporation formed specifically for the reorganization will be merged with and into Florida Digital with Florida Digital being the surviving entity and a wholly owned subsidiary of FDN Holding. Florida Digital will then transfer all stock of FDN to FDN Holding. Further, as part of the restructuring, each share of common stock of Florida Digital will be converted into shares of FDN Holding and, therefore, ultimate ownership of FDN will remain the same. FDN and Florida Digital anticipate that the pro forma intra-corporate reorganization will be completed near the end of April 2004.

Q: Does FDN possess the requisite managerial, financial, and technical abilities to provide the services for which it has applied for authority?

A: Yes.

Q: Please describe FDN's financial qualifications.

A: Well-funded, well-managed, and growing at a steady pace, FDN Communications provides local phone service, long distance phone service, and high-speed Internet to more than 50,000 businesses in Florida and Central Georgia. By using proven technologies in more efficient ways, FDN is able to provide excellent service to businesses small and large at substantial savings over the traditional phone companies. With a focus on customer service, and responsible spending, FDN has attracted strong financial partners, assuring FDN will continue to make the promises of local phone competition a reality for years to come. In April 2003, FDN Communications raised \$20.2 million from three private equity firms to fund expansion plans and solidify operations. In support of its Application, FDN filed its financial statements, which demonstrate that FDN has the financial ability to provide the proposed services in Tennessee.

Q: **Please describe FDN's managerial and technical qualifications.**

A: FDN Communications has been providing high-quality telecommunications services in Florida for five years. FDN Communications has recently begun providing telecommunications service in Georgia. The managerial and technical qualifications that have made FDN Communications successful in Florida and Georgia, will be easily transferable to FDN's proposed operations in Tennessee. Specifically, FDN Communications' officers have decades of experience in the telecommunications industry which provides the technical and operational foundation necessary to execute the company's business plan, to provide its proposed telecommunications services, and to operate and maintain FDN's services. Descriptions of the extensive telecommunications and managerial experience of FDN Communications' key

management personnel are provided in the biographies attached to the Application as *Exhibit E*.

Q: What services will FDN offer?

A: FDN intends to offer a diverse array of local exchange services, including basic exchange services, private branch exchange services, frame relay, high-speed data and Internet-type services, directory assistance, operator services, custom-calling features, toll-free calling services, blocking/unblocking services, and directory listings. Emergency 911 and enhanced 911 calling will be provided to all customers. FDN will provide all services required under Chapter 1220-4-8-.04(3)(b).

FDN also intends to offer a full range of interexchange telecommunications services, including MTS, WATS, toll-free and calling card services.

Q: Will FDN offer service to all consumers within its service area?

A: While FDN will primarily offer service to business customers, FDN's services will also be available to residential customers.

Q: Does FDN plan to offer local exchange telecommunications services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines?

A: No, FDN does not currently plan to offer local exchange telecommunications services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines, but may do so in the future consistent with state and federal law.

Q: Will the granting of a certificate of convenience and necessity to FDN serve the public interest?

A: Yes, Grant of the Application will further the goals of the Tennessee Legislature and further the public interest by expanding the availability of competitive telecommunications services in the State of Tennessee. In addition, intrastate offering of these services is in the public interest because the services will provide Tennessee customer increased efficiencies and cost savings. Authorizing FDN to provide local exchange and interexchange telecommunications services will enhance materially the telecommunications infrastructure in the State of Tennessee and will facilitate economic development.

In particular, the public will benefit both directly, through the use of the competitive services to be offered by FDN and indirectly, because FDN's presence in Tennessee will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service. Grant of this Application will further enhance the service options available to Tennessee citizens for the reasons set forth above.

Q: Does FDN intend to comply with all TRA rules, statutes, and orders pertaining to the provision of telecommunications services in Tennessee, including those for disconnection and reconnection of service?

A: Yes, FDN will comply with all TRA rules, statutes, and orders pertaining to the provision of telecommunications services in Tennessee, including those for disconnection and reconnection of service.

Q: Has any state ever denied FDN or one of its affiliates authorization to provide intrastate service?

A: No, no state has denied FDN or one of its affiliates authorization to provide intrastate service.

Q: Has any state ever revoked the certification of FDN or one of its affiliates?

A: No, no state has ever revoked the certification of FDN or one of its affiliates.

Q: Has FDN or one of its affiliates ever been investigated or sanctioned by any regulatory authority for service or billing irregularities?

A: FDN has been investigated by the Florida Public Service Commission ("FPSC") for billing errors discovered during routine call testing. FDN identified a software problem which was fixed and upon retesting by the FPSC it was confirmed that the error had been rectified.

Q: Who is knowledgeable about FDN's operations and will serve as FDN's regulatory and customer service contact?

A: Matthew J. Feil is FDN's General Counsel and will serve as FDN's regulatory contact. Wanda Hofelich is FDN's Senior Customer Care Manager and will serve as FDN's customer service contact. The contact information for these two individuals was provided in the Application.

Q: Please explain in detail FDN's proposed procedures for responding to information requests from the TRA and its staff.

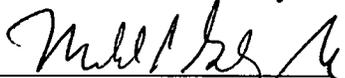
A: Information requests from the TRA should typically be directed to Matthew Feil, General Counsel of FDN. Upon receipt, Mr. Feil will review the request and determine whether he has the information necessary to respond. If he does, he will prepare the response based on his knowledge. If not, Mr. Feil will contact the person(s) at FDN who would

have the requested information and request that they provide a response. Subsequently, Mr. Feil will review the response provided to make sure it completely and accurately responds to the information request. Then the completed response will be forwarded to the TRA.

Q: Does this conclude your testimony?

A: Yes, it does. I reserve the right, however, to amend or modify my testimony as appropriate.

I swear that the foregoing testimony is true and correct to the best of my knowledge.


Michael P. Gallagher
President and Chief Executive Officer
Southern Digital Network, Inc.
d/b/a FDN Communications

Subscribed and sworn to me this 26th day of February, 2004.


Notary Public

State of Florida

County of Orange

My commission expires 11/9/07



Glenda S. Chapman
My Commission DD265574
Expires November 09, 2007

